798 eventual frictions have been lessened and in our century they have disappeared so that, today, the defence against the onrush of materialistic propaganda is carried on by a virtually united religious front. Never, since the Crusades and the anti-Turkish wars, have the Magyars been so conscious of the conflict of the "righteous" and "godless" as today.

659 563 Between the two world wars, only the Christian churches enjoyed co-operation on the part of the State, while persons of Jewish faith were submitted to social and economic pressures. During the last years of World War II, this developed into a brutal persecution and deportation along the Nazi pattern.

659 871 After 1945, a separation of Church and State took place and, when the Communists took over the government, open hostilities broke out between them. Prior to that, 5,000 elementary and 120 high schools were denominational, mostly Catholic. These schools, along with all Church property were confiscated and entrusted to a "State Office for Church Affairs," decidedly hostile to any [606] kind of religion. Religious orders were disbanded and all but two of the 400 existing religious periodicals suppressed. Several hundred priests and pastors were deported and leaders of the churches (Primat Mindszenty, Archbishop Grösz, both Catholics, and Lutheran Bishop Ordas) were tried and condemned.

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banner of this revolution enlisted the unanimous support of the toiling masses, and it took a Holy Alliance to quash this uprising. The bloodshed, poverty, and chaos resulting from the First World War were responsible for the short-lived Communist revolution in Hungary in 1919. The counter-revolution which followed had little difficulty stopping the Red revolution, for despite the Communists' liberal promises, the peasant masses did not support them.

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After World War II, the development of political life in Hungary was entirely dependent upon the occupying Red Army and its agents, the Communist Party of Hungary. The present opposition of the Magyars to this type of totalitarian state can be more than readily detected from the defensive actions of the government itself. At the head of the discontents, we now find the peasants again, for while the leadership of the historic revolutionary movements were recruited among the nobility, the core was made up of peasants fighting for the abolition of serfdom and, later, for economic independence. The recently developed stratum of intellectuals, commonly called the middle class in Hungary, played little or no role in these movements.

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The former upper class and lesser gentry have been completely dispersed by the Communists, part of their members taking cover in the

565 661 ranks of the State's bureaucratic machinery, while the majority are now under strict police surveillance.

565 668 With respect to national consciousness, trustworthiness and unshaken opposition to the hated regime which dispossessed them, these people can be counted on. Individually they are well educated; many of them speak several languages and have a broad knowledge of local, national, and international problems. Many of them have relatives and friends abroad. Although they could probably perform liaison activities well, any attempt to give them prominence in a subversive organization would be a mistake because, as a rule, they are regarded as pillars of social reaction and few of the peasants or laboring groups would particularly care for such leaders, fearing their deep-rooted conservatism and autocratic tendencies. [208] Furthermore, Communist propaganda repeats ceaselesaly that the only aim of the United States and other democratic governments is to re-establish the old autocratic or oligarchic system in Hungary and elsewhere.

Before the Communists seized power, the intelligentsia or the middle class provided Hungary with many outstanding personalities in different fields, especially education, science, art, business, and even politics. Under the Communists, the middle class underwent a basic

school-teachers sent reports to Budapest about this. They said they could not teach tipsy children. In reality they were angry because the children could not work for them. Teachers are paid by the State. They get very little. But they all have a garden or a small bit of land. And the children work in their garden or on their land. While the first grade has a lesson, let us say, the second, third and fourth grades work in the garden, help in the kitchen to peel potatoes, draw water from the fountain, feed the animals, and so on. They are at school all day. It is a welcome change for them to do work to which they are used half the time.

But they were constantly tipsy, and the teachers got angry. There was a great commotion about this. A committee went to investigate, newspapers wrote about it and some socialist even spoke about it in Parliament. This lasted two months. The children still had their wine-breakfast. Then harvest-time came. So the question was solved. The Parliament went on to more important work—to pass laws, for instance, on how to take away the possessions of Jewish lords and give them to non-Jewish lords. As a general rule they often passed laws about the Jews. First we thought that it would be a good thing. Our district had no Jews. So we thought it was only to give us some Jews too, because the Jews are very good at buying and selling. In other districts, where there are Jews, they come with enormous packs on their backs, full of stuff, and they sell us ribbons, kerchiefs, needles, wool, for eggs, or whatever we have. But it turned out that it was not this kind of law. It was just the business of rich Jews and rich Christians.

The law was hard on poor Jews and some horses. It turned out that there are Jews among the horses too. A horse is a Jew if its owner had more than two Jewish grandparents. And according to one of the new laws a Jewish horse is forbidden to procreate. In Hungary the procreation of horses is under State control. This was tough on some horses.

Nowadays we don't get many foreigners. Before 1914 many of the harvest-gangs were Rumanian or Slovak or Ukrainian. Our lords brought them from distant places so as to make sure that the harvesters couldn't desert if the work was too hard for them. The land-workers of our district, on the other hand, had to go to far-away places. They went as unskilled labourers in the cities; they went to work on railway lines.

A serf in the region where he was born, where he knows the language, is a more daring person than in some foreign part where he knows nothing. So our lords—if they can—mix us up.

669 Empire. Austria was cut to pieces because "a single state tyran
728 nising over a number of nations could not be tolerated in Europe".
But facts seemed to show that you created three Austrias in
648 the place of one; a Czechoslovakia of Czechs, Slovaks, Poles, Magyars, Germans and Ruthenians; a Rumania of Rumanians, Magyars, Germans, Serbs, Bulgarians, Turks, Tartars and Gipsies; a Yugoslavia of Serbs, Magyars, Bosnians, Croats, Slovenes, Turks, Montenegrins, Vends, Rumanians, Albanians, Italians and Macedonian Greeks.

669 Well, the counter-revolutionaries of Szeged, all the big feudal
●661 lords and the white army, with beautiful white feathers in their caps, came to small, dismembered Hungary. The white terror began. Whereas during the revolutionary period, after the four years of slaughtering, less than a thousand people were killed, during the law-and-order period of the counter-revolution several thousands of us were tortured to death, Jewish men and women were tortured and killed, everyone who had a part in the revolutions was imprisoned or shot—mostly the latter—and those Socialist leaders who could not be accused of anything were just assassinated.

300 We know that the British *people* were revolted by the white terror of the country of our lords. In protest against the massacre of our leaders, the Labour and Socialist International attempted in June 1920 to organise an international boycott of Hungary. They did not succeed.

Too many people, all over the world, detest the word "revolution". *We dislike the counter-revolutionaries.* In our history the revolutionaries like Dózsa and his people defended Hungary, and the counter-revolutionaries who tortured him to death sold the country to the Turks. The *Kuruc* of Rákóczi were the revolutionaries, and the big lords who betrayed the country to the Habsburgs were the counter-revolutionaries.

Petõfi and Kossuth were fighting for Hungarian independence. They were revolutionaries. The Habsburg-collaborationist lords were the counter-revolutionaries.

Jesus was a revolutionary. Caiaphas and Pilate were the counter-revolutionaries.

Those who are on the side of the Hungarian people, who want to fight for our health and happiness, cannot have anything to do with the present régime, which has as "moral capital" the counter-revolution of Szeged and the white terror. These gentlemen who protest so much about their nationalism are suitable partners of Hitler and Mussolini, those two counter-revolutionary

666 first of all there is a secret ballot in the cities. And then in some districts we are willing to risk a lot—we declare ourselves pro-government, and when we get to the committee we vote against the government.

642 In Austria, at the beginning of this period, the social democratics were in power. Many of the important Habsburg civil servants and army officers fled to Hungary, where the reactionary feudal régime gladly received them, paid them pensions and gave them important jobs.

The Horthy–Bethlen régime consisted of such people, of second and third generation Austrians (the descendants of the Metternich and Baron Bach Gestapo), of the landed aristocracy and the more backward elements of landless nobility, who always thought that the country ought to provide them with bread-and-butter jobs in the civil service.

798 The régime inaugurated systematic anti-Semitism. The Association of Awakening Magyars tortured Jews and conducted Streicher-
661 like propaganda against them. The Bethlen set passed the first anti-Jewish law in Europe after the last war, when it introduced the "numerus clausus", making it practically impossible for Jews to attend the universities.

The Jewish question is a rather delicate one. Let us quote one of Károlyi's former Ministers, the Jew Oscar Jászi, at present Professor of Oberlin College, U.S.A., who was and is a radical liberal and has lived in exile since 1919.

> "This anti-Semitism [that of the Horthy–Bethlen régime] is very characteristic, as it is the only serious, strong moral reaction of the régime. And even this anti-Semitism is faked, as they want to get rid, not of the big mistakes of Jewry, but of that Western culture and liberty which these illiterates associate with Jewry.
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> "By the way, for this unlimited anti-Semitism Jewry itself and the whole of Hungarian liberalism is also responsible. During the last twenty-five years [Jászi wrote in 1920] the Jewish question has become *taboo* in Hungary. . . . It was forbidden to criticise or warn the Jews. Anybody who, for instance, stated that there were more Jews in the leading positions of intellectual life than their percentage and their intellectual and moral value could justify; anybody who cared to analyse those harmful qualities which were evolved among the Jews during centuries of ghetto life; who tried to hint that while hundreds of thousands of land-workers were emigrating the invasion of foreign profiteers represented a danger to the simple

114 † [the Horthy-Bethlen regime; 1920-1939 -- Analyst]

culture of the villages . . . such a man was attacked as an uncultured, rough, dangerous anti-Semite and life was soon made impossible for him."

The Horthy–Bethlen régime, writes Jászi,

"incited the mob to anti-Semitism, but at the same time the Jewish bank- and profiteer capital was growing freely, and the exploitation of the workers reached a record pitch. At the same time, this 'national and Christian' Hungary was again and again ready to serve Parisian Jewish finance."

Count Bethlen, the clever Count Bethlen, stopped open and official anti-Semitism. He stopped the White Terror of his friends. He did all this *after* the Allies gave political and financial support to the Horthy régime. He said that he could stop the White Terror only if the Allies helped the White Terrorists. And so the murderers of thousands of progressive people, labour leaders and Jews, were backed by American, British and French financiers in order to "consolidate" Hungary and establish a liberal parliamentary rule.

You saw what was meant by parliamentarianism during the Horthy-Bethlen régime. But we must tell you a bit more about Bethlen. In the country where 2,242 persons had more land than 4,000,000 of us, Count Bethlen said in Parliament in 1921:

"*In this State, where private property is sacred, to ask for land reform is like asking for my pants.*"

So much for Count Bethlen's democratic sentiments. In 1943 Bethlen sent envoys to neutral capitals, saying that he represented the only anti-Nazi force in Hungary. He wanted the Allies to set him up after the war as a great democratic politician.

In 1938 he wanted to prove to Hitler what a good pro-Nazi he was. He said:

"*Though the Hungarian Government (under Count Bethlen) was free to choose, it refused to join the Little Entente, thus rendering an invaluable service to Germany and making impossible the creation of a strong bloc antagonistic to Germany.*"

Well, this nice gentleman came to power by means of foreign loans, and fell from it when they stopped. But during the eleven years of his rule he laid the solid foundations of that policy which pushed the country of our lords into the war as accomplices of Hitler.

The democratic consolidation of the Bethlen régime was a very clever piece of work.

It was not anti-Semitic. The Jews were permitted to run

642 Hungarian industry and commerce provided they did not
661 attempt to meddle in politics. In order to keep their financial power they were forced to give political backing to Count Bethlen's "Unity Party".

There was parliamentarianism. This meant that 90% of the deputies were created by the government.

665 Even a Social Democratic Party existed, but it was forced *to*
642 *sell us out first.* This was perhaps the cleverest trick of the "black Count".

The Social Democratic leader was a former locksmith, Charles Peyer. Before the war he became secretary of the Trade Union Council. In 1919 he became Minister of Interior in a very short-lived government formed after the Communist collapse. Then he became Minister of Public Welfare in the reactionary government created with the help of the Allied representative, Sir George Clerk. In 1920 he was in Geneva at an international congress when he heard that Horthy and Bethlen had murdered the two other labour leaders, Somogyi and Bacsó. He did not dare to return, but a year later Bethlen invited him to come home. *He had an offer to make.*

665 Bethlen detested the idea of a land reform which would mean
642 the abolition of the feudal system. But at the same time he
423 had to prove to the outside world that his Hungary was "nice," and democratic. So he made his famous offer. The result *was an agreement by which the Social Democratic Party was allowed to exist, provided it undertook no activities among the four million landless agricultural labourers.*

This agreement was one of the chief tricks by which our lords, almost alone in Europe, have so long been able to postpone all questions of land reform. And it has very effectively removed any danger that we—the land-workers and industrial workers—might get some say in the affairs of the country and realise our aspirations for civilised existence.

And of course by permitting the Trade Unions and the Social Democratic Party *to exist but not to act*, Bethlen could say to the Western world that Hungary was a democracy.

The Trade Union officials and Social Democratic leaders were forbidden to give the lie to Bethlen's propaganda about his wonderful democratic consolidation. These leaders were happy to be alive and happy to keep "the progressive flame" flickering in the country of our lords.

This agreement was concluded in December 1921. Peyer and his friends of the labour leadership became somewhat unpopular with their own people.

661 Hungary—even Trianon Hungary—is a good little country. She has rich fields, mines, rivers, forests, factories, and people who know how to work. She could provide a full and happy life for all her inhabitants. Hungary was financially under League of Nations guardianship. When Jeremiah Smith, a decent Boston lawyer, the League's commissioner general in Hungary, returned to America, he showed conclusively in his final report that Hungary's finances were in order. Count Bethlen and his friends wrecked them in five years.

At the beginning of Count Bethlen's rule we learnt a lot of new words. One was "consolidation", meaning that the White Terrorist gangsters and robbers became consolidated as our rulers. The other word was "*panama*". It is the Hungarian word for official racketeering and embezzling, taken from the Panama Canal scandals.

If an official steals public money, that is *panama*. If he gets a contract for his son-in-law, that is *panama*. If there is a government loan for small farmers and city gentry get it, that is *panama*.

Well, during Count Bethlen's rule we read about a new *panama* almost every month. Horthy and the "black Count" did not steal themselves—they only wanted power; but they let their friends and followers *panama* a lot. *During Bethlen's rule—according to Supreme Court verdicts—many millions were stolen in the Ministries of War, the Interior, Agriculture, Commerce, Public Welfare and Finance.* Cabinet Ministers, Under-Secretaries and departmental heads were accused, and many a time convicted, of accepting bribes, embezzling public money or profiting by dirty financial deals. The mayors of seventeen cities were convicted for the same reason.

This was the law and order the Allies helped to establish.

We are an outspoken lot, and we tell the truth even if it is unpleasant. So you can believe us when we say that *in this respect the lower-grade Civil Servants, police and gendarmerie were honest even during this period.* There was a saying that you could not bribe a small clerk or policeman, but you could bribe His Excellency the Cabinet Minister.

Anyhow, during Count Bethlen's Christian, national and democratic rule corruption and Fascism reigned and the way was paved for national catastrophe.

642 The Horthy–Bethlen set built up a very effective police force, gendarmerie and political police. Long before we heard of the word "Gestapo" we knew what was meant by it. Anyone attempting to work for progress came up against the Gestapo of our lords. Hungary was made safe for lords. The lords ruled through

668 worker movement—deep under the ground of the feudal National Park—got a real start. We knew then, and we know still, that our war against the lords will be a long war with huge losses. But we started to prepare. Of course you do not expect us to mention names and facts about our movement. Armies at war do not give away their secrets.

But we started to organise on a grand scale. Thanks to the cold dictatorship and counter-selection of our lords, many persons from above joined us. We had our fifth column everywhere, from the aristocratic clubs and ministries down to the pubs where the village gentry met. So the Horthy–Bethlen Gestapo was not very effective against us.

When Count Bethlen resigned in 1931, because he could get no more foreign loans and because he had led the country into bankruptcy, we were hopeful. An insignificant old aristocrat was chosen as his successor in the aristocratic clubs where our premiers are made. We thought that our life would be easier, that our organisation would meet with fewer obstacles.

We were sadly mistaken. With Bethlen out of the way the petty accomplices of the White Terrorist lords soon came to power. The Horthy–Bethlen "counter-selection" worked well as far as the safety of feudalism was concerned. But the small gentry, and those lower middle class men who pretended to be gentry, wanted a larger share of the profit. Our counts are a pretty cynical lot, but at least they have some sense of humour and some taste. And anyhow they had quite as much wealth as they wanted. After the eleven years of cynically cold and well-camouflaged terror of the "black Count", their hungry henchmen, who had no taste and less humour, seized the direct power. Bethlen and his friends had to be satisfied with exercising ultimate control from behind the scenes, through Horthy. Of course they did not lift a finger to save us—the people—or their beloved "culture" from the brutally stupid "Gömbösists".

672 661 The outside world learnt in 1932 that a strong man had taken over rule in Hungary. He was General Gömbös, a Hungarian nobleman. Well, this Gömbös was not strong but mean and hysterical like his great master, Hitler. He was not Hungarian but German, his real name being Graner. His mother could not speak a word of Hungarian. He was not a nobleman, but only pretended to be one. He was not a general, but only a Captain of the Reserve who forced Horthy to promote him to the rank of general from that of captain.

Gömbös' rule was as full of obnoxious lies as his person. He was one of the fiercest White Terrorists at the beginning of the

Horthy rule. He and his friends placed time-bombs in democratic clubs, they robbed and beat up the Jews, wrecked the printing plants of democratic newspapers, burnt progressive books. They organised the concentration camps of the Horthy-Bethlen rule, into which thousands of us were herded a few days after the counter-revolutionary troops entered Hungary. 642 661

During the first few years of Bethlen's "consolidation" they were forced to disappear from the public scene. In the middle twenties they were slowly permitted to reappear as government-created yes-men deputies, as the mayors of unfortunate towns, as officials in various ministries. During the first two years of the thirties these people organised themselves and demanded power. They were dangerous to our big lords, and the times were dangerous also. Some say one of the reasons why Horthy and Bethlen and the inner circle of aristocrats, like Counts Sigray and Pallavicini, let the Gömbös gang win power was because they did not want to be directly responsible for the period to come.

Anyhow, Graner-Gömbös came to power and promptly announced that he was going to start a new and glorious millennium in Hungarian history. Next day the Budapest wits called him "Gömbölini" or "Adolf Graner". "Gömbösism" was a less effectively camouflaged and more stupid edition of the Horthy-Bethlen fascism. During the Gömbös era, to believe in progress, in good neighbourship, in science, was high treason to the "real Hungarian spirit" incarnate in Gömbös-Graner, the son of a Svabian market-woman. To build up the Gömbös version of true Hungarianism the political police was enlarged and the political side of the military police was reorganised and doubled. 625 642

These two police forces are the Hungarian Gestapo, directed by such true Hungarians as Herr Schweinitzer of the political police, and a lot of German generals of the General Staff. These two forces naturally fought us. You read too much about Gestapos, so we will not describe to you how these forces fought against us, how they beat up keen young students, writers, self-taught land-workers, how they tortured us, how they managed to send many of us into their prisons and concentration camps.

The glorious Gömbös era saw gendarmes destroying our villages, and almost illiterate Svabian petty criminals becoming "leaders of true Hungarian culture".

Gömbös made many trips to Berlin and Rome, with the approval of Horthy and Horthy's principal adviser, Count Bethlen. and the Hungarian people were robbed of all their rights and any possibility of halting their rulers on the road to war.

3:Kemeny G-5 (1945-48)1952 EC1 Hungary EC1

CHAPTER VI

# THE CHANGE IN ECONOMIC AND FINANCIAL STRUCTURE

## INDUSTRY AND AGRICULTURE

471 WITH the change of the political climate in Eastern Europe, the policy in regard to the scope of nationalization underwent a definite change. In March 1948, shortly after the coup d'état in Czechoslovakia and the ensuing nationalization measures in that country, public ownership of all industrial enterprises in Hungary with more than 100 employees was announced. No preliminary discussions on a measure of such consequence had taken place. It was plotted by the Communists and presented to the public in a way that deprived the other parties—already politically undermined—of the possibility of offering any opposition. The law enacted in May 1948 on the nationalization of industry did not protect even small-scale industry against further encroachment. It vested the competent Ministry with arbitrary power to include any plant irrespective of size. Though the principle was established that compensation should be paid to the former owners, it was never intended to carry this principle into practice.

Thus when the first Plan year drew to its end, broadly 80 (and later 90) per cent of manufacturing industry in terms of man-power was nationalized. In the wholesale trade the change-over was completed within a short period. By 1949 nationalization had also made substantial progress in the retail trade.

And there was the sinister chapter of land collectivization. 661 The campaign was opened after the rupture between the 565 Cominform and Yugoslavia. In fighting 'rural capitalism' assi- 423 duous efforts were made to split the peasants into two camps, the *kulaks* or exploiters on the one side, and the 'working peasants' on the other. Owners of farms larger than those workable by one family were denounced as capitalists. In the course of the campaign this line of discrimination faded. Eventually it depended on the arbitrary decision of the local party committees whether a farmer ranked as a *kulak* or as a working peasant. The intention evidently was to outlaw the *kulaks* and to coerce 241 or entice the working peasants into the *kolkhoz* (the Russian type 423 of collectivized farming). Co-operatives merging the small hold- 474 ings according to that system into an economic unit enjoyed

3:Kemeny G-5 (1945-48)1952 EC1 Hungary EC1



652 453 by the private banks). When the private banks disappeared, the differential rates were directly charged by the National Bank.

The following special interest rates were in force for agriculture:

| | *per cent* |
|---|---|
| (1) For co-operatives running collective farms | 5 |
| (2) For other co-operatives and for members of co-operatives in category (1) | 9 |
| (3) For members of co-operatives in category (2) | 11 |
| (4) For other debtors | 18 |

The scale of interest rates can hardly be said to have been inspired by purely economic considerations. It was rather on political grounds that private enterprise had to bear considerably higher rates than that which had been nationalized. In agriculture the Government were intent on favouring collective farming by discriminative credit practices. 'Working' peasants were allowed to obtain credit on conditions similar to those prevailing before the war. For others (excluded from the co-operatives) a prohibitive rate of 18 per cent was fixed, though it was hardly more than nominal since those owning holdings over [661] 25 yokes were denied credit facilities. One decisive consideration was, apparently, to exploit even rates of interest as a weapon of class warfare.

652 454 In a capitalist system based on free competition, the investment market determines the allocation of resources among the various openings for capital enterprise, and the long-term rate of interest is its principal instrument for the purpose. The Hungarian Plan rejected that mechanism, and the question remains by what considerations the Government or the Planning Department was guided in deciding upon the allocation of capital resources among industries. At the inception of the Plan there was hardly any alternative to deciding arbitrarily upon the direction of investment into the various channels in conformity with preconceived ideas about the relative importance of capital-goods industries and of some outstanding consumer-goods industries. But as, in the course of economic progress, the application of the Plan became more and more intricate, this first rough approach had to be superseded by more discriminating methods. Under conditions when production provides only for bare necessities a programme based on nothing better than guesswork will contribute to meeting consumers' needs. As soon as the economy progresses beyond this low standard, divergencies between the anticipations of the planners' and consumers' wants are likely to arise.

652 475 The exemption of publicly-owned enterprises from being charged with interest on their investment would not itself pre-

461 The statement[1] complained about lack of discipline, both at the workshop and at managerial level, inefficient planning in the central agencies, and slackness in enforcing government directives. As a result, the high standard of living was endangering the execution of the investment program and dangerous lags were showing in fulfilling the plan. In foreign trade, during the 439 first four months of 1950, imports increased by 56 percent over the corresponding period of 1949 while the increase in exports was only 1 percent.

453 Signs of strain were indeed evident despite efforts to conceal them. One of these was the cessation of publication of the only continuous series still available in the periodic statements of the Central Bank giving the note circulation, bank reserves, savings, assets, and liabilities of the current account of nationalized industry.

433 In Hungary the early part of the year is usually noted for higher prices as the stocks of food and supplies decline before the new crops begin to come in. This year a severe drought damaged most crops. The whole six months' period was characterized by a marked deterioration in the food situation. Important staples, like potatoes, lard, meat, milk products, vegetables which had been available in sufficient quantities since 1947-48, were in short supply. The official explanation blamed higher consumption for the shortages, but admitted also the failure of the new national enterprises responsible for the distribution and hinted at the withholding of food by a resentful peasantry. In some cases, notably that of butter, the capitalist West was blamed because it wanted food against essential machinery. Unofficial information spoke of forced food exports to Eastern Germany and stockpiling for an emergency.

Under such conditions, it seemed unlikely that the standard of living could have improved as fast as had been claimed, at any rate in the course of 1950. At the same time, the stresses and dangers must have been very real if judged by the scope and severity of the measures that were introduced to counteract them. Very great efforts were made to bring in the harvest and have it in the safekeeping of the government. It was decided to strengthen the state-controlled sector of agriculture and notably to build up a systen of state dairy farms and fattening plants around the capital to ensure safe supplies of milk and other animal products. Large-scale purges were organized in trade-
• 661 unions and factories to improve discipline and increase output.
362 Efforts were made to encourage private savings by the launching of a cooperative housing scheme followed up with much vigor.

[1] [Statement of the Chairman of the People's Economic Council, cf. cat. 116, p. 61 — Analyst].

9: Eppstein S-4 (no date) 1945 EC1 Hungary EC1



GERMAN ANTI-SEMITISM. After the last war, how-
ever, there was a considerable reaction against the 563
Jews, partly because the Communist leader Béla 668
Kún, who ruled in Hungary for some months in 578
1919, and most of his leading assistants, were Jews. Furthermore, times were changing. There were no longer places enough to go round in the State service and the younger generation of Magyars began to look for business careers, and to regard the Jews as rivals. This affected especially a class of Hungarians who have played a very important and very disastrous part in recent history: the young generation of 'Swabians' (see Chapter 1). The sons of Swabian peasants who came to Budapest to make their living could not, like the son of the old Magyar aristocratic or 'gentry' family, reckon on influential family connections to get them safe jobs in some ministry. They had to make their own way in the world, and it was they, more than any other class, who felt the force of the Jewish competition. Then when Hitler and his Nazis came into power in Germany, the Swabians, in spite of their Magyar upbringing, and very often, Magyar names, suddenly felt themselves German. They not only sympathized with Germany's political aims, but also with the Nazi social ideas, including anti-semitism. They infected others, and before long there was a considerable party in Hungary clamouring noisily for the adoption of the Nazi system, and in particular for laws and measures against the Jews similar to those which the Nazis were enforcing in Germany.

The Hungarian government and people did not 563
give way easily to this clamour. But it was not diffi- 661
cult to whip up a good deal of ill-feeling against the

9: Eppstein S-4 (no date) 1945 EC1 Hungary EC1



563 Jews, particularly among the younger generation
●661 who found it difficult to get jobs, and resented the much greater wealth of the average Jew. Yielding to the popular demand, laws were passed restricting the proportion of Jews in the professions and universities and expropriating Jewish-owned land. But the Jews still enjoyed a degree of protection not paralleled in Nazi-controlled Europe until March 1944, the fatal date when the Germans really established control in Hungary. Then the gang of professional anti-semites came into power who introduced the counterpart of the Nuremberg laws into Hungary, with all their accompaniment of the ghetto, the yellow star, eviction from almost every job and every kind of brutal and humiliating restriction.

It was also established that the Jews, who had not been allowed to serve in the army and had been formed into separate labour corps, were being sent to Poland to work behind the German lines, and it was feared that they were being exterminated there by the Germans. This fate was reported to have been inflicted on all the Jews of Hungary outside Budapest, men, women and children alike. The deportations were stopped on the intervention of the Pope, the King of Sweden and others, but were renewed, and extended to Budapest, when the Arrow Cross seized power in October 1944.

563 The more progressive and decent elements
578 in Hungary never approved of the excesses of the Germans and their despicable agents, and no doubt will be anxious to re-establish a humane and honourable relationship between Jew and Christian after the war. What form that will take

9: Eppstein S-4 (no date) 1945 EC1 Hungary EC1



fighting a difficult campaign in Southern Italy, and the half-hoped-for British landing in the Balkans did not occur. Soviet Russia was a different proposition in the eyes of the Government; and even Russia was still far from the frontiers of Hungary. The only Power on her doorstep was Germany. Meanwhile in the country the pro-German party redoubled its propaganda to show how terrible would be the results for Hungary of an Allied victory: Russo-Soviet influence over all Central Europe, Czech hegemony in it, a new and worse Trianon. Kállay could not make up his mind to do more than hesitate, and at last even his hesitation grew too much for the Germans. In March 1944, there was another crisis; more threats to the Regent, who yielded again. German troops marched into the country, Kállay took shelter in the Turkish Legation, a new and much more pro-German Government took office and once again, as after Teleki's suicide, the end of the period of double-dealing was proclaimed.

**NAZI DOMINATION AND THE SHADOW OF DEFEAT.** Of course, it was not the end. The new men had their way for a time. The leaders of the Left were interned, the Labour movement brought under new Fascist control, the Press disciplined. Above all, a violent persecution set in of the Jews, to whom the earlier governments, even Bárdossy's, had allowed a degree of freedom and protection unparalleled in German-controlled Europe. In a few short, dreadful weeks the Nazi's Hungarian henchmen inflicted fearful sufferings on the Jews, undoing all the good which their predecessors had

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done for Hungary by their relative decency. But soon, once again, as so many times before, Hungary was repenting at leisure what she had in haste committed, or allowed to be committed against her. Soon she was back in her old position of longing for a way out but not daring to take a decisive step.

The longer the Hungarians hesitated, the worse the position grew. Our declaration of war on Hungary had already placed that country in the position of an enemy versus a friend, as regards the frontiers with Czechoslovakia and Yugoslavia. Only with Rumania had the position been any better for Hungary, for although the British had not recognized the Vienna Award, Rumania had been an enemy to Britain equally with Hungary. But on 23 August 1944, Rumania at last accepted terms offered to her from Moscow some time previously, and these included recognition of the injustice of the Vienna Award. Now even Rumania was with the Allies; Hungary was left almost alone, surrounded by enemies and facing inevitable defeat.

CAUGHT IN THE TOILS. In this situation, the Regent's obstinate fear of Bolshevism at last yielded to the persuasion of more far-sighted advisers, and on 15 October 1944, Hungary was startled by a sudden, unheralded proclamation in which the Regent announced that he had asked the Allies for an armistice and had issued orders to the Army to cease hostilities. There was wild rejoicing among much of the war-weary people; but it was soon checked. The Germans, through their agents, had been precisely informed of what was afoot.

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They occupied Budapest with German and pro-German Hungarian troops, seized the Regent and, after issuing in his name a recantation of his proclamation and a deed of abdication, carried him off to Germany in 'protective custody'. Under their armed patronage the 'Arrow Cross', a band of fanatical extremists, seized power. They were headed by an ex-officer of Armenian descent named Szálasi, who proclaimed himself 'Leader of the Nation' and issued the order to fight to the last. Although the Arrow Cross comprised only a small minority of the people, it was able, with German help, to suppress resistance in the capital and in West Hungary; the fight went on, while behind the line, the Germans hurriedly stripped the country bare. Corn, cattle, the contents of stores, warehouses and shops, machinery, even workers, where they could be induced to move, were hurriedly transported to Germany.

Meanwhile, the Russians advanced swiftly. Soon they were at the gates of Budapest and by Christmas had encircled it. A frightful battle now took place. The Germans, whose only care was to gain time for the construction of new defences in the Reich itself, defended Budapest street by street, house by house. They were helped by raw, fanatical levies of the Arrow Cross, some of the men desperate refugees, and a few factory workers, affected by the very Radical character of the Government's propaganda, and a few units of the Hungarian Army. Meanwhile, the wretched population, swollen by refugees to nearly 2,000,000, starving and deprived of light, heat and even water, lurked in cellars waiting for the end. When at last

## RECENT DEVELOPMENTS

315 natural level of prices at the time."[1] Between June 1945 and July 1946, the artificially fixed prices ranged from eighty-one cents to less than one cent per barrel. It is significant to note that Article 28 of the contract provided for cancellation of the concession in the event of bankruptcy

This effort also failed, however, and with the signing of the peace treaty Russian military representatives disappeared from the oil fields and MAORT resumed near-normal operations.

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In May 1947 the Communist Party, backed by the Red Army, ousted the non-communist government and took over the country. A three-year plan was announced for all branches of industry. The government purged most of the reliable MAORT employees early in 1948, on various pretexts, and in May it appointed a communist "controller" for the company. All Hungarian-owned industries had been nationalized without compensation in April. The following September two American directors of MAORT were imprisoned on charges of sabotaging the Three-Year Plan, along with the former Hungarian manager and key employees. The Americans were released after having been forced to sign confessions; the Hungarians were given long prison sentences. In September 1948, MAORT was confiscated.

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The government allowed some technical directors to retain their posts but appointed a number of new directors to manage what had been MAORT operations. One of this group's first moves was to put a battalion of Hungarian secret police on the company payroll, to guard the property and to watch the employees. In 1949 most company offices were moved from Budapest to Nagykanizsa, about 20 miles from the Zala fields. The new directors also fixed long hours at low wages for the employees. In 1950 monthly wages for common laborers were 300 forints; office employees, 400-800 forints; skilled laborers and drivers, 500-900 forints; section head and technicians 800-1600 forints; engineers, 1,200-3,200 forints. Even at the official exchange rate of 12 forints per dollar these were low wages, and the actual rate in 1950 was nearer 36 forints per dollar. Moreover, up to 30 percent



[1] [for footnote, cf cat. 116, p. 73 -- Analyst]

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the People's public prosecution of all war-crimes against the Hungarian nation.

Actually trials of war-criminals were started soon after Hungary's liberation was completed. Only the trials of certain major offenders bear any relevance to strictly constitutional or political issues. The trial of Béla Imrédy, former Premier heading the impressive list of "criminals against the Nation," focussed world-wide attention on the dual problems of individual war-guilt, and legal responsibility for aiding and participating in Fascist aggression. In an emotionally eloquent indictment speech, Zoltàn Horvàth, a Social Democratic political solicitor, clearly stated that the former Premier and acknowledged leader of various factions within the notorious "Arrow Cross" movement would have to face personal responsibility for many of Hungary's disasters. "From anti-Jewish legislation to the concentration camp of Auschwitz, from the Anti-Comintern to the ruined bridges of Budapest, from economic surrender to the complete plunder and eventual ruination of the country, there is a single straight line connecting the two terminal dates, 1938 and 1945. Imrédy was the prime instigator, self-appointed apostle and legislator, the most insistent advocate of all these political moves."[9]

For over a year the People's Courts were kept busy sentencing individual political leaders who played prominent roles in Hungary's most reactionary period. Former Cabinet members, public servants, diplomatic representatives and newspapermen were purged in a continuous flow of swift and efficient trials. While public opinion generally accepted the constitutional and political necessity of liquidating such prime war-criminals as Imrédy and Foreign Minister Làszló Bàrdossy, lately a quiet resentment, a mute opposition has developed against the interminable series of war-trials. Critics of the present coalition government contend that the purge of war-criminals was originally conceived of and carried out in the spirit of a sincere and desirable political movement, but it has gradually degenerated into a sinister judicial farce where "the cry for

9 Cf. S. Szalai–Z. Horváth, *A Szociáldemokrata Párt Vádat Emel*, (Budapest, 1946) p. 38. Other war-criminal trials followed in the footsteps of the Imrédy case. Most fascist leaders of pre-war Hungary were sentenced to death by unanimous verdicts of the courts. Only recently was the death-sentence of András Tasnádi-Nagy revised by the court of appeal and changed to a life-sentence. Tasnádi-Nagy was the president of the Lower House of Parliament, a former Minister of Justice who served in various cabinets between 1939 and 1945, particularly in the Sztójay Cabinet of 1944. He was also President of the Parliament under the Hungarian National Socialists whom he eventually followed to western Hungary and to Austria in their last-minute flight. Cf. "The Continuation of War Criminal Trials in Hungary," *Neue Zürcher Zeitung*, Jan. 2, 1947, p. 2.

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fresh victims seems inexhaustible. The purge of the public services was scarcely completed when the demand was raised for new large-scale dismissals."[10] Recent guilt-trials have increasingly reflected the eminently vindictive, purely partisan motivation of Hungary's new ruler, the Communist Party, whose leaders have never hesitated to bare their extreme ideological bias, turning it offensively and indiscriminately against the champions of alleged political or economic reaction.

### *Political Parties and Domestic Politics*

The composition of the first post-war coalition government corresponded roughly to the results of the country's post-liberation election. The number of votes cast reached almost five million; of these the Smallholders Party polled well over two and a half million while the combined votes cast for the Communist and Social Democratic Parties barely exceeded one and a half million. Obviously, the elections of November 1945 inflicted an undisguised and significant defeat upon the two extreme leftist parties, particularly on the Communists, while temporarily assuring the middle-of-the-road Smallholders Party of a decisive governmental majority. The Smallholders' victory was most overwhelming in Budapest where the ratio of Communist votes was even lower than in the rest of the country. The new coalition government was built around nine members of the Smallholders Party and four members each of the Social Democratic and Communist Parties.

Several unexpected political developments were in startling contrast with this first chapter of democratic renaissance. The constitutional significance of national elections was considerably deflated by the pre-election agreement of the three major political parties to continue their coalition *regardless of the results of these popular elections.* This partisan maneuver gave the Communists an opportunity to exercise undue power, also displayed a strange "ballot-proof" version, a disappointingly autocratic appraisal of the role of national elections in parliamentary forms of government. According to its official interpretation, the agreement "was absolutely necessary to maintain national unity. There were such serious problems to be solved that none of the parties could attempt to undertake the task alone. For this reason . . . the major parties of the Hungarian Independence Front have agreed to maintain the

10 Cf. J. O., "Hungary Between East and West." *The World Today*, May, 1946, p. 214.

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role throughout the liquidation of the conspiracy. The Army leader most seriously implicated was Major General Lajos Dálnoki-Veress, who apparently served as head of *Magyar Közösség*, central organ of the reactionary plot. When the conspiracy was unmasked, the Ministry of the Interior used General Veress' "full confession" to complete the list of suspects; within a few days it arrested well over one hundred "fascist criminals," including six deputies of the Smallholders Party.[22]

As the Communists and Socialists continued to tighten control over the government, the weeding out of anti-democratic factions involved primarily three important Cabinet Ministries; Foreign Affairs, Agriculture and Reconstruction. Again the most prominent victims proved to be members of the Smallholders Party. The Ministry of Interior suddenly insisted that one of the anti-Communist members of Parliament, Béla Kovács, secretary of the Smallholders Party, be arrested. In Kovács' case all previous formalities were neglected; he was summarily jailed by Soviet occupational authorities on a set of charges including espionage against the Soviet Army, terrorism against the Russian occupation forces and participation in the formation of armed anti-Soviet groups.

Shortly after these arrests, Vice-Premier Rákosi demanded a national election, a new popular mandate to the two workers' parties by which Hungary's achievements could effectively be insured and decisive steps be taken in the fight of progressivism against feudalism. The Social Democratic Party fully supported Communist demands throughout these revolutionary developments. Giving a new and more flexible definition of democracy in Hungary, Arpád Szakasits explained at a Communist-Socialist rally that the Government could no longer be based on "mere arithmetical illusions." He argued that the "unnatural" electoral victory of the Smallholders could not form the basis of political rights. "We have always demanded a thorough purge of the Smallholders Party, and told its leaders *to abandon arithmetical illusions. We urged them to allow only peasants and other honest people to speak in their councils.*"[23]

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22 Cf. "Die Verhaftungen in Budapest, Ein Communique des Innenministeriums," *Neue Zürcher Zeitung*, Jan. 6, 1947, front page; Albion Ross, "Hungary Reports Plot to Restore Horthy to Power," *The New York Times*, Jan. 5, 1947, pp. 1 and 35. László Rajk, Communist Minister of the Interior, controls the entire police system; he is not a Moscow emigré, but an extremist fanatic for whom even the Moscow-trained group of Communists is too slow. His brother was a Nazi stormtrooper, he himself is a fairly young ex-schoolteacher. Rajk was instrumental in carrying out the full-fledged purge of the Hungarian Army.

23 Cf. *Magyar Nemzet*, Jan. 19, 1947, p. 1. (Italics mine.)

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665 648 661 At this stage of developments Western public opinion began to show interest in Hungary's first major post-war crisis, symbolic of the deepening rift between East and West. Secretary of State Marshall transmitted several strong American protests to the Soviet Union over its recent actions in Hungary. The notes encompassed the full scope of the country's serious internal crisis as they protested the Soviet "attempt to nullify the electoral mandate given by the Hungarian people," criticized the Red Army for arresting Kovács, expressed the U. S. Government's "feeling of concern", and finally requested a thorough Soviet-American investigation of the situation. Although there were no direct replies from the Hungarian Government, Lieutenant General V. P. Sviridov, Soviet chairman of the A.C.C. for Hungary, rejected the notes and categorically stated that the Smallholders Party, its leaders and party members admitted that the party had been involved in the conspiracy. "The conspiracy itself is being investigated by a People's Court provided for by the Hungarian Constitution."[24]

665 661 These internal purges were obviously intended to destroy the ideologically balanced elements of post-war Hungarian politics. A ruthless liquidation of the Smallholders Party and its parliamentary majority contributed not only to a closer cooperation of the parties of the Left, but actually opened the way for a Communist-dominated bloc such as now rules Poland, Rumania and Bulgaria. While the discovery of a right wing plot was of decisive value to the Communist Party, the coalition government which has survived several previous crises was in effect permanently crippled by it, and the influence of the Smallholders was considerably reduced by forcing them from one capitulation to another.

### *Press and Propaganda*

204 Closely following the pattern of internal political developments, the trend of Hungarian newspaper writing has shifted considerably in the past few months. Today the Communist and Social Democratic press dominates the scene, displacing both in volume and political intensity the more moderate type of journalism characteristic of the immediate post-liberation period. The full impact of the *putsch* is

24 Cf. John MacCormac, "Russia Rejects U. S. Hungary Note," *The New York Times*, Mar. 9, 1947. Although officially suppressed, the American note of protest gained wide publicity and circulation in Budapest. The American Government's information service distributed over 10,000 copies of the Hungarian translation of this note in an effort to influence future party strategies and to bolster up the morale of the Smallholders Party.

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204 Propoganda and press are closely interwoven in present
208 day Hungary, exerting an ever-increasing political pressure on all phases of post-war reconstruction.

### *State Versus Religion*

659 Until recently both Soviet occupational authorities and the Hungarian Communists have avoided restricting by legislation the country's religious liberty. On the contrary, in order to disarm criticism by religious groups, the coalition government introduced legal measures to restore "the rights of individual communities belonging to accepted and recognized religions which were abolished by earlier Fascist regulations."[34] There has been a definite increase of popular attachment to the Roman Catholic Church which has retained its strong
793 influence on public opinion. The present Catholic leader of Hungary,
659 Joseph Cardinal Mindszenty, is very outspoken on moral and national matters and has taken a definite stand on contemporary issues. During the war he protested on several occasions against particular actions of the German and Hungarian Fascists.[35] As Bishop of Veszprém he was repeatedly mistreated by gangs of the Fascist Arrow Cross followers. He severely criticized the land reform which deprived the Church of over half a million acres by limiting all ecclesiastical holdings to less than one hundred acres each. More recently in a letter addressed to the Minister of Justice he complained about the mistreatment of war criminals. As a Catholic leader he continually emphasized his anti-Communist sentiments and his disapproval of the methods and severity of Soviet occupation.

793 Some of Cardinal Mindszenty's close followers recently submitted
● 661 a plan which would put Hungary's reconstruction on a broader and more democratic basis. This project entails a four-power supervision of the Hungarian Army and police force after the withdrawal of Soviet

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34 Decree 6270/1946 M.E., published June 4, 1946, H.G. 125.

35 In June, 1944, in a joint pastoral circular letter with the then Cardinal Justinian Serédi he stated that: "Precisely now, because we are in this dreadful world war, we are in the greatest need of the help of God. . . . In these very times we see with unutterable sadness that here, in Christian Hungary, successive orders were decreed which are opposed to the laws of God. These edicts have infringed upon, and even totally taken away the inborn rights of a part of our Hungarian fellow-citizens . . . and they are persecuted exclusively on account of their racial origin, without proving their individual crimes, if any, and without the procedure prescribed by law. You also could readily understand the injustice of such action, if you were deprived of your rights in this manner." This pastoral letter was ordered read in every Catholic church in the country. It has recently been reprinted in its full text, in English, as part of a documentary collection of Catholic speeches and statements, *Important Declarations of J. Serédi, Taken From his Pastoral Letters and Speeches Which Refer to Actual Ecclesiastico-Political Questions* (Budapest, 1946), pp. 28-37.

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troops from Hungary. The supervision outlined by the planners would be integrated and general rather than of a zonal character. It is aimed at the armed and police forces of Hungary which are under strict Communist party control at present. Mindszenty's followers also contend that a majority of the people would oppose Communist control with force and that the recent ill-starred plot in Hungary was a mere foretaste of what might come. These members of the small Liberty party and of the formerly dominant Smallholders appealed to London and Washington in the hope of getting "one last opportunity of preventing the establishment of a completely Communist dictatorship in Hungary."[36]

In the past year relations between the Church and State deteriorated rapidly until the Church now stands in open opposition to the government. Catholic youth organizations and many of the parochial schools which constitute sixty percent of all educational institutions were accused of "reactionary and fascist" activities and subsequently closed. Several outstanding Catholic leaders were jailed along with members of the Smallholders majority, and recently determined attempts were made to prevent Cardinal Mindszenty's departure for Rome. Even the relatively free intellectual atmosphere of Budapest has suffered under the impact of these restrictive measures which have created a serious rift between the country's political rulers and its largely Catholic public opinion. Prophetic indeed are the words of a Catholic writer, Jenö Katona: "Hungarian Catholicism is undergoing its most severe historical crisis, its most profound social and political transformation in many centuries. The Church had two fundamental problems, its feudal wealth based on land holdings and its dependence on the secular power of the State. . . . The entire social structure rooted in land-monopoly has now been blasted by outside forces. After the present conflict subsides the Hungarian Catholic Church will emerge as a new social-minded church, not the representative of a feudal agrarian-capitalism."[37] In the meantime the Church stands *for* connections with Rome and the Western world, *against* Communism and the spread of Soviet domination.

### *The Economic Reconstruction*

A drastic land reform was undoubtedly the most significant step

36 Cf. C. L. Sulzberger, "Hungarians Hope to Avert Red Coup by 4-Power Rule," *The New York Times*, Feb. 16, 1947.

37 Cf. Jenö Katona, "Katolicizmus és politika," "*Valóság*, March-May, 1946, Vol. II, Nos. 3-5, pp. 42-46. (Translation mine.)

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795 When in 1944 the defeat of Hitler was foreshadowed by
661 the reign of terror which found in the Jew its major victim,
793 the Papal Nuncio in Budapest issued countless "letters of protection" to Jews, enabling them to live in buildings which were the property of the Vatican and therefore entitled to diplomatic immunity. Nor did the Church itself escape paying a heavy price. Although Hungarians suffered less drastically than the Poles or Czechs at the hands of the Nazis many of their priests took the bitter road to Dachau. Others, including two bishops, were incarcerated in Hungarian prisons. During the winter of 1944 the Nazis executed the senior chaplain of the Hungarian Army. When defeat came the priests of Hungary did not flee. Only 12 out of more than 1,200 abandoned their rectories. Witness the death of William Apor, Bishop of Győr. Drunken Soviet soldiers entered his residence and tried to force their way into the cellar, where a number of women were hiding. The Bishop calmly met them face to face, in an effort to pacify them. He died in a fusillade of bullets, but the women were spared.

661 Yet this heroism was destined to earn no earthly reward.
642 After 1945 there ensued instead one of the heaviest-handed enslavements of a people, and one of the direst persecutions of the Christian faith, of which history has record. Though we shall be concerned with the second, let us not forget the first. For the Communist Party the sole important question was how quickly and completely the opposition could be liquidated, regardless of the means or the cost to the population. The Hungarian people struggled to elect a non-Communist government and, despite great difficulties, succeeded. The November, 1945, election resulted in the triumph of the "conservative" opposition. Even after Communist intrigue and machinations forced out of office the government thus chosen, the Communist Party was defeated in the election of August, 1947, obtaining less than 23 per cent of the vote.

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but the end was bound to be failure, unless, indeed, a miracle occurred. We may well believe that the Cardinal hoped in those days for such a marvel—not one which would summon down a legion of angels from Heaven, but one based on the impact of a united Catholic people, if not on the consciences, then at least on the political calculations of their rulers. But the Russians now entered the scene and grimly ordered the liquidation of the Cardinal.

To be sure, nothing was done precipitously. On January 10, 1948, Rákosi spoke for the Communist Party. He declared that nothing could be more desirable than an agreement between Church and State, but that the conduct and attitude of the Church made it impossible. That had, he said, become the cloak under which reaction plied its subversive trade. Its leaders were openly hostile to the new order. They had repudiated the noble traditions of 1848 by organizing a rival observance. They were opposed to land reform, to the Three Year Plan, and to peace. On February 15, Cardinal Mindszenty addressed an assembly at St. Stephen's Academy in Budapest, citing a number of Papal Encyclicals on peace to make the Church's position clear.* However, some of the quotations made could be easily interpreted as comments on the mentality and methods of the Communist Party. They were so understood. The Ministry of the Interior forbade the publication of the text of this address. Measures were taken in rapid succession to curb the Catholic press, to undermine Catholic charities, and to prepare the way for the transfer of all schools to the State.

Then occurred what is usually known as the tragedy of Pocspetri. On June 1 the pastor of this little town of 2,000 souls in eastern Hungary, acting on a request from the As-

* Texts of this and other addresses are conveniently assembled in *Cardinal Mindszenty Speaks: Authorized White Book* (New York, 1949).

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659 sociation of Teachers, called the parents of his congregation
793 together to vote on whether the schools should be removed
●661 from the jurisdiction of the Church. Two pads of paper were placed on the table, one for affirmative and the other for negative votes. All four hundred parents voted No. Two days later, the village council met to consider the same question. Rumors coursed through the town to the effect that the vote cast by the parents was to be nullified, and quickly an excited crowd gathered round the town hall, demanding that the will of the people be respected. The police were sent for, and they ordered the crowd to disperse. One officer drew his revolver and threatened to shoot. Thereupon a citizen named Kiralyfalvi entered the fray; there was a scuffle, and the policeman lay dead.

793 The pastor, Father Aszalos, seems not to have been present
637 when the shooting occurred. Nevertheless he became the central figure in a highly theatrical trial designed to prove that he and the "reactionary Hierarchy" were responsible for the incident. First the poor priest was taken, together with Kiralyfalvi and other villagers to the notorious prison maintained by the secret police at Andrássy ut 60, Budapest. The trial was then conducted without benefit of defense counsel. To the great surprise of nearly everyone—including, it is said, the officials of the Ministry of the Interior—Father Aszalos pleaded guilty. Indeed he went on to say that the real culprits were his religious superiors, who were always stirring up opposition to the government. Left to himself, he added, he would never have argued against the secularization of education. Nevertheless he was guilty because he had failed to heed his own conscience. The sentence of death imposed by the court was changed later to life imprisonment.

659 The observance of the Holy Year continued, despite stead-
796 ily mounting obstacles, into the summer of 1948. It had be-

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chairman, reviewed the progress of the peace movement throughout the world, and lauded Stalin as the foremost enemy of war. Meanwhile the clergy of Hungary had also been called upon to sign an oath of allegiance to the Constitution. The great majority of priests complied during January, 1950, making the usual reservation that they pledged themselves to nothing that was antithetical to the Catholic faith.

Archbishop Jozsef Grösz, successor to the Cardinal, attempted as best he could to guide the ship of the Church through the waters of persecution. Nevertheless during the summer of 1951 he and several other members of the Hierarchy—Bishops Andreas Hamvas, Joseph Petery, and Luigi Shvoy—were arrested. The subsequent trial, in which a number of less prominent clergymen also were the accused, offered a new version of the ordeal of the Cardinal. No doubt the major reason for this spectacle was the declaration of the Bishops that any service they rendered to the cause of "peace" was of a moral and religious character only, with no political significance. Archbishop Grösz was sentenced to imprisonment on June 28, and a new series of assaults upon the Church ensued. A few days later, the remnant of the Hierarchy signed a profession of loyalty to the government. This in turn decreed that no one could validly hold office as a bishop, abbot, or provincial unless the State had approved his appointment. Indeed, even those who had assumed their offices after January, 1946, were declared subject to the same regulation. Religious orders were dissolved, and priests who had incurred excommunication by membership in the "Peace Movement" were appointed to important pastorates. Many priests and monks were deported to slave-labor camps. Under the pressure thus exerted, the bishops who still had freedom and the Abbot of Hungary's largest monastery took the oath of allegiance. Some of them even went

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inal assumption—namely, that every Christian will realize 000
that Stalinism is incompatible with Christianity—to be false. At any rate, in a private letter to Bereczky dated September 16, 1951, he wrote, "It seems to me that you are on the way toward making your affirmation of Communism a part of the Christian message." This would, of course, be the same error of which the German Christian Movement had been guilty under Hitler.

At any rate, the Protestant Churches in their turn were 659
compelled to negotiate an agreement with the government, 793
accepting the whole of the Communist program dealing with 661
finances, education, and the appointment of clergymen and other Church dignitaries. When Bishop Ravasz resigned in protest, the Calvinist Synod attempted to elect a worthy man to be his successor. The government refused to endorse the choice, and finally succeeded in gaining acceptance for Pastor Roland Kiss, well known as friendly to the Communist position. Only a few indications of the extent to which infamy and outrage prevailed thereafter can be adduced here. The grossest kind of interference in the work of the pastorate was resorted to, so that in the end notorious and criminal Communists were installed in ecclesiastical offices, while worthy churchmen were dismissed, deported, and imprisoned. Only eight Church schools survived the drive for the nationalization of education. Relief and welfare organizations were forbidden; and the press was reduced to impotence by censorship and suppression. Toward the close of 1951, two theological seminaries were closed. Even more dire, if that be possible, was the fate of the small Lutheran minority. Its leaders were hounded, ousted from office and imprisoned.

By the close of 1951, civil and religious liberties were ex- 178
tinguished in Hungary to an extent which the Cardinal himself 661
could hardly have foreseen. Virtually everyone who had oc-

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178 cupied a position of trust or responsibility in the country prior
661 to 1945 was now impoverished and ostracized. The number of distinguished exiles was legion. Economic conditions had deteriorated so completely that even food, product of the rich plains, was lacking. Tens of thousands who could find no employment in the industries which were being created by fiat, by reason of age or of earlier religious and political affiliations, were marked for deportation. These wholesale shipments of human cattle aroused the indignation of the outside world. Lord Vansittart reported to the House of Lords that 100,000 persons had been earmarked for slave-labor camps. For a time this ghastly business was halted; but seemingly reliable information indicates that the shipments were resumed during 1952.

626 As elsewhere in the Russian orbit, the emphasis was on
461 production and organization for war. Russian military and
186 economic officials virtually took over the country. Criticism of the workers and particularly youth was everywhere part of the order of the day. Young Hungarians, the government declared again and again, had been inoculated with the diseases of pacifism and pro-Imperialism. Even the official Youth Organization, DISZ, was accused of "cosmopolitanism" and "adoration of the Anglo-American imperialist monster." On June 28, 1952, Matron Horváth, speaking for the Communist Party, reemphasized the need for continued intensive opposition to "clerical reaction." He expressed shocked surprise that some members of the Party still participated in religious functions and, indeed, permitted the Church to influence their children.

668 This would be as pertinent a note as any on which to end our account of the Hungarian tragedy were it not for the breath-taking events which have followed the death of Stalin. Years of draining away the substance of the people and of

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there might be someone to countersign decrees of execution on Saturdays. The Jewish cabinet members maintain, however, that all Hungarian Jews ought to embrace Communism in gratitude to the Soviet Union for having saved them from the Nazis. There are from 150,000 to 200,000 Jewish survivors still in Hungary, most of them shopkeepers or members of the professions and therefore anti-Communist. Probably as much as 75 percent of them would like to emigrate to Israel. Since that is forbidden they have settled down to a life as near to usual as possible.

The opinion in diplomatic circles was that Laszlo Rajk, the Minister of Foreign Affairs, was less powerful than he had been as Minister of the Interior and head of the secret police, his post until August 1948. His transfer was interpreted as a demotion, since foreign ministers of satellite states do not make their own policy but execute the policy of the Kremlin. As he was head of the Foreign Office, however, I asked to see him. His colleague in charge of the press and propaganda, an intelligent and cultivated Mr. Boldizsar, told me that to Mr. Rajk's great regret he was too busy in view of the coming elections to find time to receive me. I remarked that this must mean that the elections promised to be very close, to which Mr. Boldizsar replied with a look of studied blankness. A week or so later the elections were held, and the announced returns gave the government list—the only one permitted, of course—95.6 percent of the votes. The next step was to form a new cabinet. When the names were published, Mr. Rajk's was not among them, even in the innocuous post of Foreign Minister.

June of 1949 was a particularly trying period for Communist leaders everywhere in Eastern Europe. In Sofia the Kostov purge had begun and in Albania Koci Xoxe had ended his career before a firing squad. Might not leaders in other satellite countries be called on to make some sacrifice—accept the blame for Cominform plans gone wrong or bear witness to what could happen to a Communist who was nationalist enough to resist Moscow's policies? The question was answered for Hungary on June 15, 1949, with the announcement that Laszlo Rajk had been dismissed as Minister for Foreign Affairs and expelled from the Politburo and the Party as a "nationalist," "Titoist" and "Trotskyite."

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661 These were the epithets that had been used against Kostov and Xoxe, and their use against a leading Hungarian Communist showed that Moscow's educational campaign was proceeding methodically among the faithful and not-quite-so-faithful in all the satellite states. Actually, the Rajk case was destined also to inaugurate a new phase in the Cominform's direct attack on Tito. It would provide evidence that he was not only a megalomaniac and heretic but that his heresy was simply a clever subterfuge behind which he was enabled to carry forward his traitorous work as an agent of the Western imperialists. But before we turn to this main theme let us learn a little more from Revai's speech about the policies that Moscow had decided to put into effect inside the individual states, in order to immunize local Communist Parties against any further spread of Titoism and strengthen the governments against new foreign risks. For it must have been realized that there was definitely a new risk in accusing Tito and the Western Powers of conspiring together to attack the Communist world, and in ordering the diplomatic and military measures which would naturally follow the making of such impudent charges.

665 Revai's first point was that a People's Democracy is "the dictatorship of the proletariat though not in the Soviet form," and his second was that the objective is to give it that form.[2] Coalitions of Communists with non-Communists are temporary tactical devices. Bourgeois parties are accepted in popular fronts merely in order to destroy them. Sometimes impulsive hotheads nearly spoil the game, as when the left-wing Socialists in Hungary after the war adopted the slogan "For a Red Budapest." The Communists had been more clever; they had avoided anything so frankly provocative, for their enemies outnumbered them and could still have saved themselves by taking resolute action. Thus Communists were careful not to mention, for instance, that the ultimate choice would be between any sort of private property and complete socialization, and they kept the public from worrying about such matters by talk about liqui-

[2] Revai's speech was delivered to leaders of the Hungarian Workers' Party (Communist) in March 1949 and published in the March-April issue of the Party magazine, *Tarsadalmi Szemle*. The text can be found in translation, with explanatory notes, in *Foreign Affairs*, New York, October 1949.

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665 vacillate participate in the work of indoctrination: "that is why
565 power cannot be divided with the peasantry."

Revai's conclusion is that "the power in possession of the working class must, in the interest of the shaping of Socialism, the oppressing of class enemies and the defense against imperialism be still much more decidedly and severely exercised than it has been up to now. 'Dictatorship' also means the exercising of force in oppressing enemies." [4] He said he recognized that force is not the only weapon. This, however, "does not mean at all that the functions of oppression and violence also appertaining to the dictatorship of the proletariat should be overlooked as secondary." The appropriate organs of the state should be unified and made ready for periods when "the chief function of the dictatorship of the proletariat will consist of using force against enemies from within and without."

665 Our summary of all this can be brief. The Hungarian Communist Party relies on the Soviet Union for guidance and on the Soviet Army for support. It never coöperated with non-Communist progressive parties in good faith but only for tactical advantage. A People's Democracy is a dictatorship of the proletariat, and though not now in precisely the Soviet form it will steadily draw closer to it. A pressing task is collectivization of the land, by force if necessary. The peasants may coöperate with the workers, but the workers, represented solely by the Hungarian Workers' Party (Communist), will not share their leadership and power. Opponents will be liquidated by force.

665 The intellectual climate having been prepared, the next step was
661 to bring home to each member of the Hungarian Communist Party that he personally faced not a theory but "a really practical problem." This was achieved for the rank-and-file by ousting about 200,000 persons from membership and the privilege of belonging to the ruling minority. For Party leaders the lesson would be more terrifyingly "practical." It would take the form of a laboratory demonstration on the living body of one of their number. The choice fell on Laszlo Rajk.

[4] Earlier in the speech Revai had assured his hearers that they need have no fear that resort to force may provoke civil war. The power of the Soviet Union ensures against this; and in Hungary, specifically, the Soviet Army is "always here" to "support us."

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During the summer of 1949 the indictment was prepared in the necessary terms and various codefendants were selected for their ability to play supporting rôles in a well-rounded cast. By autumn the play was ready, and on September 11 a full outline of the plot and the names of the players were published in the Budapest newspapers.[1] Rajk had star billing, but some of the others were well-known too—Lieutenant-General Gyorgy Palffy, Chief-of-Staff of the Hungarian Army; Dr. Tibor Szonyi, head of Party enrollment and appointments; and Pal Jusztusz, member of the National Assembly and director of the Hungarian radio. To establish the link with Belgrade, Lazar Brankov was added. He was a former chargé d'affaires of the Jugoslav Legation who had renounced his post and stayed in Budapest at the time Tito was expelled from the Cominform, and he was now to have a chance to demonstrate his allegiance to his new masters by confessing publicly that he had betrayed them also. Several minor characters were brought in to play bit parts.

Were the story unfolded by these characters true it should encourage opponents of Communism no end, for if such trusted chiefs of an old and important Communist Party were free to practise every sort of perfidy their responsible colleagues could not be described except as naïve, careless and ignorant. There evidently was in addition a highly satisfactory degree of inefficiency and corruption in the counter-intelligence and among the spies whom the Hungarian Communist leaders employed to watch each other.

Thus the indictment asserts that Rajk, who helped bring the Communist régime to power in Hungary and from 1945 to 1948 controlled its chief organs of security, had become a police informer against his fellow Communists as early as 1931, and that he had continued as stool-pigeon and spy without interruption and without arousing suspicion for 18 years. It describes how he first became an agent of the Horthy police in return for being set at liberty after an arrest for distributing Communist leaflets; how he organized Communist groups of university students in order to denounce them; how he organized Communist strikes and denounced the participants; how he became a spy of the Horthy government in Czechoslovakia, and then enlisted in the Rakosi Battalion in the Spanish

[1] An English translation of the indictment of Rajk and his codefendants was published in the *New Times*, Moscow, September 14, 1949.

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Civil War in order to be able to start "undermining actions" among the other volunteers. When he was discovered (continues the indictment), he fled to France, was interned, and in certain specified camps met a number of "Jugoslav foreign intelligence agents," including Aleš Bebler, afterwards Jugoslav member of the U. N. Security Council, Karlo Mrazovich, afterwards Jugoslav Ambassador in Budapest, and other men who rose to top rank later on in Tito's Partisan army, besides many French, American and Gestapo agents. With these valuable new connections Rajk returned to Hungary to undertake espionage work on a larger scale. For appearance's sake he got himself arrested, but was let off lightly. If what was said about him were true he must have been in contact with more intelligence services than almost any other spy in Europe; yet he was so successful "in concealing his past," as the indictment puts it, that the Hungarian Communists received him back with innocent confidence, made him Secretary of the Party organization in Budapest, a member of the Politburo and a Member of Parliament. Then, still not recognizing him as a mortal enemy, they put him in charge of the Ministry of the Interior and the secret police. From that vantage point, and afterwards from the Foreign Office, he built up an espionage network throughout the government and recruited other conspirators to help execute his grand design. This was to assassinate his colleagues, seize power and sell out Hungary and Hungarian Communism to Marshal Tito and the American and other imperialists who were Tito's paymasters. His chief assistant was General Palffy, who was to see to the assassinations.

The substance of what might have been a common enough tale of the Communist underworld was thus spun into the scenario of a melodrama worthy of being played under the klieg lights and before the microphones of the Budapest People's Court, in the presence of 60 representatives of the world press. An inspired Soviet strategist saw that what had been planned as the sacrifice of a Communist official for the good of Party souls in heretical jeopardy could be lifted into the realm of international policy and perhaps made to bring Tito crashing down under the curses of his people. Convenient to this design, Rajk had been active before the war in Czechoslovakia, Spain and France, and later his high government

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posts had given him many opportunities to develop foreign contacts, secret and public. According to the Soviet story, Tito and his diplomats, knowing all that Rajk's own colleagues did not know about his past, entered into relations with him. They were able to do so without awakening Hungarian suspicions because, as the indictment put it, they "vilely exploited" the friendship felt by all Hungarians for the workers of Jugoslavia.

So far the story would not have caused much of a sensation outside of Hungary. Another spy, another scapegoat, another execution. But the action was destined to occupy a larger stage. After the defeat of the Nazis in Jugoslavia, it seems, the American intelligence enlisted a large number of the former Gestapo agents remaining in the country, as well as Jugoslav "agents-provocateurs and Trotskyites." They worked so well together that in a short time "Tito's immediate entourage consisted mainly of these spies," who "systematically ousted from the government" the honest and loyal Partisans who had fought in the war. Tito, it seems, had secretly gone over to the Americans as early as 1944. At any rate, in December of that year the American intelligence was able to recruit a band of "Hungarian Trotskyite émigrés" in Switzerland, get them provided with false Jugoslav papers and send them in an American army plane to Belgrade. From there (after receiving further instructions from the Jugoslav secret police) they were landed by the same plane in Hungary, "in the rear of the Soviet Army." Safely at home, they destroyed their Jugoslav papers, infiltrated into government posts and set to work as spies for Jugoslavia and the United States. In the summer of 1945 Tito and his Western bosses were ready to move into higher echelons. They took on Rajk as their chief agent and also engaged the Chief-of-Staff of the Hungarian Army, General Palffy, described in the indictment as "a Fascist officer of Horthy's army . . . who posed as a Communist." Apparently the Hungarian Communists were as innocent as the Russian Bolsheviks in picking their worst enemies to head their army and run their secret police—Palffy was the equivalent of Marshal Tukhachevsky and Rajk of OGPU chief Yagoda. Palffy went to work to help Rajk get "former Trotskyites, provocateurs and spies" into high posts. Among them were

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000 tunity to consult with other satellite statesmen who might be sympathetic also.

661 U5 618 Tito's expulsion from the Cominform made it necessary for the conspirators to recast their scheme of operations. Accordingly, the story runs, Rankovich met Rajk secretly in southern Hungary in October 1948 and unfolded a "brilliant new plan" through which Tito expected that he could "gradually turn the Jugoslav people against the Soviet Union and bring them into the camp of the Western imperialists." In the first phase, Tito would not criticize the Soviet Union but would continue to profess friendship for it and for its leaders. After a time, however, he would begin emphasizing that it was the Soviet Union which made it impossible for Jugoslavia to carry out the Five Year Plan and other Socialist reforms. When Jugoslav living conditions failed to rise as they ought to do under Communist rule, "the friendship of our people will turn to hatred" (Rankovich's purported words). Then Tito could secure popular approval for deserting Russia and aligning himself with the West. To complete the program, Rajk would arrange frontier incidents in which Hungary would seem to be the aggressor, and General Palffy and other "army Fascists" would carry out the "physical annihilation" of Hungary's pro-Soviet leadership, including Rakosi, Farkas and Gerö. Just in time the whole plot was discovered, said the charge, and "in the middle of May the arrests of the conspirators began."

Everybody confessed to everything. The confessions had been secured in advance, before the indictment was prepared or the trial began. Each defendant—or rather non-defendant, for none made any defense—seemed intent only on gaining credit by not merely admitting his alleged crimes but by magnifying them. Some interesting new details came out in this way. Brankov, for example, said that the plot for the West to wrest control of the Balkans from the Soviets was initiated in 1943 when the Western Allies began helping Tito, and that the instigator was Winston Churchill, assisted by various British and Americans, including Brigadier Maclean, head of the British military mission to Partisan headquarters, Allen W. Dulles, a director of OSS activities in several European resistance movements, and practically all the American and British officers

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known to have worked with the Partisans during the war. These were supposed to have succeeded in bringing around three members of the Jugoslav Politburo—Rankovich, Kardelj and Djilas—to the idea that postwar Jugoslavia should be a bourgeois capitalist state and that it should head a Balkan federation of similar states. Even Tito himself was supposed to have finally accepted the program. Indeed, he never had wanted Communism sincerely. One indication of this was that for a long time he rejected Soviet help in liberating Jugoslavia, though in the end he had been forced to ask for it.[2] His pro-Communist pose had been necessitated by the fact that of course the Jugoslav people did sincerely favor Communism. So Brankov testified. Palffy's chief contribution, beyond confirming everything that Rajk and Brankov had confessed, was the information that the date for the *putsch* in Budapest had been set definitely for May or June 1949 (incidentally the period of my visit, which would explain why Rajk was so busy).

The tale is worked out in ingenious detail, and parts of it may even be true. Rajk was known and feared in Budapest as a stern operator against class enemies, and in his dealings with foreign diplomats he was habitually cold, disagreeable and forbidding. These characteristics would not have prevented him, however, from opposing Moscow's domineering ways or sympathizing to some degree with Tito's efforts to prevent Jugoslavia from being exploited for Russia's benefit. But no operator is clever enough to participate in plots in which the principals suddenly shift sides without laying himself open to later accusations that he had played some sort of double game. To collaborate with class enemies as a matter of expediency (as Revai found quite natural) must be harrowing enough; for what is expedient today, you must be fully aware, will not be so considered forever, and when it is no longer there may be excellent reasons of expediency for making you "the goat." But what must be truly excruciating is to find that the ally with whose secret agents you have been working—as Rajk would have worked with the agents of Nazi Germany when she was Russia's ally—suddenly turns into an enemy. Almost surely you will have left some sort of incriminating evidence

[2] *Cf.* Chapter III for Pijade's description of Tito's futile appeals to "Grandfather" for help.

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in the hands of your former colleagues. Worse, you know only too well that whether this is so or not those former colleagues of yours will in any case inform against you if this will ingratiate them with your master and persuade him to put them on his payroll and send you to the hangman. Rajk could not possibly have emerged from the morass of Nazi-Communist collaboration without leaving muddy footprints to the doors of a hundred suspicious characters and providing each of them with a motive to give evidence against him, equally damaging whether true or false.

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The Jugoslavs reacted violently to the attack launched against them by the Cominform through Rajk. Their most telling argument was that the Hungarian Government was guilty of precisely the crimes which it attributed to Jugoslavia—pressure, threats, spying, border incidents—and that as it had no other means of defense it took the only possible course of accusing Jugoslavia first.

A series of government communiqués issued in Belgrade attempted to dispose of various questions of fact. For example, it was pointed out that the Jugoslav Communists whom Rajk had supposedly met in French concentration camps after the Spanish civil war were not in those camps; Bebler and Mrazovich, for example, had been seriously wounded, had been taken directly to Paris and transported from there to Jugoslavia. In reply to the charge that the Jugoslav Government plotted to overthrow the Hungarian Government, it was asked why in that case Jugoslavia had done so much to help Hungary consolidate her position economically and politically? Rakosi and the other Hungarian leaders had often come to Belgrade for help and advice, and they always had said publicly as well as privately how grateful they were for what they received. The Hungarian press had been lavish with expressions of gratitude to the Jugoslavs—that they had made such small demands on Hungary for reparations, that they had given Hungary credits without interest, that they had so loyally supported the Hungarian position at the Paris Peace Conference, oblivious of Hungary's many unjust acts toward Jugoslavia during the war. As to Rankovich's alleged meeting with Rajk in southern Hungary, it was stressed that the indictment "did not dare specify any exact date." Rankovich had been in

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were prepared for the trial. You saw that at the trial there was everything desired. How you achieve having people pile guilt on themselves, I do not know, but that some monstrous method does exist is certain.

An acquaintance of mine who reported the trial for the London *Times* said in one of his excellent long dispatches that Rajk agreed "almost blandly" to everything of which he was accused, that his tone throughout was quite impersonal and that he "spoke more as one relating a narrative than as a man confessing." The account reminds one of what observers wrote of the purge trials in Moscow in the thirties. A few months before the Rajk trial, Cardinal Mindszenty, pleading guilty to a long list of charges, many of them highly improbable, had made his answer to each in almost the identical phraseology in which the police had stated it first. Rajk did the same. The police accusations, he said, were all correct. He added that he had done everything of his own volition, that he was his own Mephistopheles. He asked to be hanged.

He received his request. He was hanged October 15. With him were hanged Dr. Tibor Szonyi and an assistant. After Palffy's case had been reviewed by a court-martial he was hanged too. The others got off with prison sentences.

Mosha Pijade wrote in the Belgrade *Borba*[3] that it was "unimportant and accidental" that Rajk and Palffy happened to be the accused, and hence unimportant and accidental that they happened to be hanged. What was important, he said, was that the trial provided proof that "Great Russian chauvinism does not hesitate to use any measures for its infiltration into the life of European nations and for advancing Great Russia as the world nation—the leader." He said: "It is the acme of malicious hypocrisy when someone in a desire to hide his own crime ascribes that crime to the very one the crime is directed against. Actually, that is the basic and characteristic line of the entire struggle which has been waged for such a long time against Socialist Jugoslavia by certain leaders of the Soviet Union, supported obediently by their aides in the other People's Democracies and in certain other Communist Parties." And he gave in a single sentence his estimate of the cause and effect of this action:

[3] September 22, 26 and 29, and October 5 and 6, 1949.

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Not only was the Hungarian military effort relatively unenthusiastic, so too was the Hungarian adoption of Nazi domestic policies. There was probably more freedom in Hungary during the first years of the war than in any other portion of the Axis territories except Finland. The relative mildness of the Hungarian regime may be seen in the character of its persecution of the Jews. Stringent anti-Jewish laws were enacted in 1938. They were, however, mild compared to those of the Nazis, and there was no systematic extermination until March 1944, when German troops occupied Hungary. A good many army officers with some Jewish blood or with Jewish wives were retired in 1941 or even before, but some few were protected and remained until 1944. While Jews were not inducted into the ordinary units of the armed forces, during the War, neither were they put into concentration camps or gas chambers. They were mobilized into a Jewish Labor Battalion which was sent to the Eastern Front and was there overrun by the Russians, who took its personnel prisoner.

The relative mildness of the Hungarian regime gave way in 1943 to a brutal fascist dictatorship, when the Sztójay-Imredy government was formed, and even more after the Germans occupied Hungary. The Regent Horthy opposed these developments. When German fortunes in the war declined, he dismissed the Sztójay-Imredy government and tried to duplicate the feat of King Michael by announcing that Hungary was withdrawing from the war against Russia. His attempted coup in October 1944 failed, however, and the Germans put Szalasi in for a few bitter months of totalitarian rule.

The desperate measures of Szalasi and the Nazis were obviously futile by this time, and some leading Hungarian officers went over to the Russians. In October of 1944, Colonel General Bela Miklos, who had been Commander of the First Army, was sent to negotiate an armistice and came to terms with the Russians. Colonel General Janos Vörös and Lieutenant General Gabor Faragho also went over. These generals in Debrecen formed a Russian-sponsored provisional government, in which Miklos was Prime Minister, Vörös Minister of Defense, and Faragho Minister of Supply. While the bulk of the Hungarian officer corps did not follow Miklos but continued to fight, the new government was able to return to Budapest in April of 1945 on the heels of Russian advances.

The Miklos government lasted thirteen months. It and the generals associated with it were used by the Soviets during the critical transition period. In November 1945 it was replaced and its members were all soon arrested. Vörös, the Minister of Defense, was seized in January of 1946 and was liquidated. Miklos died naturally in 1952.

Miklos, Vörös, and Faragho had all been prominent officers in the pre-Soviet Hungarian Army. Faragho had been military attaché in Moscow in 1940 and a member of the peace mission to Moscow

sent by Horthy in 1944, which experience, however, did not save him in the end. The Soviets were willing to work with such a man as long as expediency demanded, but not permanently. Against these favorable facts from the Russian viewpoint was the fact that he had been Chief Inspector of the Gendarmerie in 1943. It may be noted that in prewar Hungary the gendarmerie and state police, which in peace time were under the Ministry of Interior, in war time were incorporated into the army directly under the Chief of Staff. Miklós had been first aide-de-camp to Horthy and was therefore, in the long run, not acceptable to the Communists. Vörös, who had been Chief of the General Staff in 1944, had in that capacity accompanied Horthy on a visit to Hitler. The services which these men performed for the Russians at the end of the war exempted them from immediate removal and in some cases, such as that of Miklos, from execution. But they did not, in the long run, exempt them from removal.

One reason why the officers who went over to the Russians at the end of the war were purged so quickly— more quickly than in Romania— is that they were of relatively upper class origins. One of the factors determining an officer's attitude toward the German occupation, Nazism, and the Szalasi Fascist movement was class origins. It is not accidental that those generals who in the great crisis remained loyal to the Regent and directly or indirectly took part in the frustrated armistice attempt were perhaps without exception members of Magyar gentry families. They included such generals as Lajos Veress, Bela Miklos, Istvan Naday, Gabor Faragho, Geza Lakatos, Szilard Bakay, and others. None of them came from the lower-middle classes. Descendants of the lower-middle classes were more inclined to follow a new star, such as that of the demagogue Szalasi and later the Communists, while the gentry in its nationalistic conservatism was opposed to parvenus such as Hitler or Szalasi. Because of their high status and conservatism the generals who rejected Nazism and stood close to Horthy, backing his attempt to end the war, were for the long haul quite unacceptable to the Russians, despite the fact that they had brought Hungary over to the Russian side. No ideological dogmatism prevented the Russians from using them when they needed them. But as men of unacceptable views and a strong independent social standing they did not fit the long-run requirements of the Stalinist system of organizing power, which is based on total control from the center and the elimination of autonomous elites.

## B. The Period of Communist Infiltration

As in all the satellite countries, the period between 1945 and 1947 was one of uneasy coalition between the Communists and non-Communist parties. As in each of the satellite countries, the titular heads of the government were leaders of non-Communist parties who fought

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reparations commissioner . . . I took my list to Sviridov [the Soviet Commander in occupied Hungary]. Sviridov's attitude was as I had supposed. First he protested sharply against my wish to appoint a civilian Minister of War . . . I began to argue with him, pointing out that we had no high-ranking soldier capable of reorganizing the army well. For this reason a man distinguished in public affairs should head it.

"Sviridov began to name a list of generals. I knew well that he wanted me to appoint General Palffy-Oesterreicher, but he did not dare to mention his name to me. Finally, he proposed Albert Bartha, retired general and a Smallholder Member of Parliament." 32

Bartha lasted from August 20, 1946, to March 14, 1947, when he was replaced by a more pliant leader of the Smallholders party, Lajos Dinnyés. Dinnyés, as we have noted, was soon promoted to Prime Minister, and his place was taken by Veres, the last non-Communist Minister of Defense.

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All this while the Minister of Defense, like the Prime Minister himself, was becoming more and more of a figurehead. Communist officers within his department were acting on their own, taking orders from their party leaders and from Russian occupation officials instead of from their official superiors. A typical episode is related by Nagy:

"Just before Christmas prime ministry officials received confidential reports that the army's political squad had arrested eight or ten men . . . This political squad, originally established by the Debrecen government to investigate officers who had fled or been forced by the Nazis to retreat to the West, now was headed by the very dangerous Communist, General Palffy-Oesterreicher . . .

"Startled by the report, I called the War Minister to account: 'Are you aware that the political squad in your ministry arrested a number of prominent men?'

" 'General Palffy-Oesterreicher is the head of the division. He has reported nothing,' he answered, 'I too learned of the arrests by accident and was just about to order a report.'

" 'Please let me have the details immediately,' I instructed.

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"'I shall bring General Palffy along and we shall report together,' Bartha replied.

"A few hours later, I was informed that the political squad had taken Dominick Szentivanyi, one of the signers of the Moscow armistice of 1944, and a Minister Plenipotentiary in the foreign office, and another group of officers; my source added the charges of conspiracy had been fabricated . . . In the afternoon Bartha and General Palffy-Oesterreicher called on me.

"'I understand, General, that the political squad which you head has arrested a number of officers and civilians. When I asked your minister for an explanation, he informed me that you had not reported the matter to him.'

"'We were not able to inform the minister because our reports were incomplete. Now, however, I am in a position to say what happened.' His story was that former officers were conspiring to overthrow the present order and set up a new regime . . . .

"I turned to Bartha, 'Please go and question the suspects yourself, to verify the assertions of General Palffy. Then please report to me immediately afterwards.'

"'Good,' said Bartha. After Palffy had left he added: 'There are suspicious doings in the political division. I have been informed that its assistant director, Lt. Colonel Kruchina, is not permitted to set foot in their house of detention.'

"'Send Kruchina to me,' I requested . . .

"The following morning my secretary told me that Lt. Colonel Kruchina had come furtively to the prime ministry and wished to speak to me. 'What need is there for secrecy?' I asked as Kruchina stepped into the room. 'They are watching every move I make, ever since Palffy gave orders not to let me into the house of detention.'

"Kruchina told me . . . that only Palffy and two Communist catchpoles communicated with the prisoners; no one else was allowed at the interrogations . . .

"A few days later, in a dark street, Kruchina was

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attacked and almost abducted; wounded, he shot at his fleeing assailant. He found refuge at the British Military Mission and was finally able to leave Hungary . . .

"Next day Bartha told me that he had visited the house of detention, as instructed, but Communist subordinates had refused to allow him to see the prisoners in the absence of Palffy. Palffy, arriving, stated that the prisoners had been handed over to the police because there were civilians among them and that he could not have permitted the minister to speak with the prisoners in any case, because it had been expressly forbidden by General Sviridov."

The narrative goes on to tell how the Minister of Defense Bartha, at the instructions of the Prime Minister, went again to try to see the prisoners. The Chief of the Political Division of the Police, Gabor Peter, first refused to let him in. Then Peter's superior, Minister of Interior Rajk, also refused, always referring to the desires of General Sviridov. Then Nagy himself went to see General Sviridov, who denied giving any such orders.

With this statement of Sviridov's in hand Nagy felt that General Palffy had been compromised and started proceedings to discipline and discharge him for disobeying the orders of his superior and refusing to permit his Minister in to see the prisoners. Nagy felt that "At last this notorious Communist agent was caught in his own trap." But this confidence of Nagy's was naive. As soon as he took steps against Palffy, the Communists went into action. The political squad made new arrests and Rajk telephoned the Prime Minister to tell him that the investigations would have to be continued against his wishes, "because they had unearthed a serious large-scale conspiracy."

Rakosi, the Hungarian Communist leader, then phoned and demanded, "How can you even think of starting an investigation against someone [Palffy] at the very time when, discovering the conspiracy directed against our democracy, he is rendering the greatest service to it . . . Besides, Palffy-Oesterreicher is an exemplary democrat." But despite Rakosi's diatribes, Nagy thought he could go on with the proceedings against Palffy. Then, however, came the final blow. A Soviet general arrived with a message from Sviridov. Sviridov continued to deny that he had given orders to Palffy to keep the Minister of War from the prisoners, but he said that the translator had made a mistake and Palffy had thought that there was such an order. There was therefore nothing wrong or malicious in Palffy's actions and, concluded the message, "If you, Mr. Premier, do not stop the investigation of Palffy, the Soviet Military Police will take over the

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entire proceedings in the matter of the conspiracy."[32] The Soviet Commander thus made it clear that the Communist clique in the Ministry of Defense was to be given a free hand in disregard of the nominal Minister.

This pattern of infiltration, dual power, and conspiracy is the same as that in all the satellite countries in the years 1945-48. There were, however, three rather distinctive features in the Hungarian development, all of which arose out of the character of Hungary's participation in World War II.

First, there was no corps of wartime officers with a record of collaboration with the Soviets. As we have already noted, the Russians had fewer high Hungarian officers whom they could use in 1945 than they did in Romania because the officer corps was partly pro-German and had made far less effort against Germany in the last days of the war. A majority of Hungarian officers did not follow Miklos but continued to fight against the Russians. Furthermore there was virtually no underground activity against the Nazis in Hungary. The handful of individuals in our sample whose biographies contain some record of anti-Nazi underground activities are almost invariably Jews. Not only was a group who had made an anti-Nazi record relatively lacking among the Hungarian officers at home. There had also been a relatively minor effort by ex Hungarian prisoners of war whom the Soviets re-trained. There were hundreds of thousands of Hungarian prisoners in the Soviet camps but there was no r[illegible] Hungarian Army recruited among these. There was no Soviet-sponsored force comparable to the Polish Army on the Eastern Front nor to the Tudor Vladimirescu and Horia-Closca-Crisan Division formed by the Romanians. The Soviets did indeed organize some forces out of the PW camps, but as we shall see, they were relatively minor. There was therefore no officer cadre allied to the Soviets on whom the Russians could draw for military leadership.

A second distinctive point in Hungarian development is that the Jewish minority played a more significant role in the Hungarian Army than elsewhere, and a third is that a tightly-knit clique around Palffy began in 1947-48 to take control of the army.

To explain these three points, we turn to our sample of Hungarian generals who have been active in the period from 1945 to now. Our sample consists of twenty-one career officers (of whom four remain in the army, the other seventeen having been purged) and twelve new Communist generals (none of whom have been purged to date). We shall examine the origins and careers of these thirty-three men.

1. The Available Sources of Recruitment

The generals used since 1945 came from a number of different sources. There was, as we have noted, no one obvious source of recruitment for the Communists comparable to the Polish or Romanian Soviet-controlled army which fought on the Eastern Front in World War II, or for that matter comparable to the western armies of the Polish and Czecho-

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before 1919. Since 1919, when he was twenty-five, he has been a Communist activist. He served as a courier between the U.S.S.R. and Czechoslovakia and did party work in Spain during the Civil War. After the Spanish Civil War he went to the Leningrad Military Academy for two years of training in partisan warfare. His World War II activity in organizing partisans among the Hungarian prisoners we have already described. He is now a Deputy Minister of Defense.

General Istvan Bata deserves special comment. At the time that this study was completed he was Chief of the General Staff. But then in July 1953 a major shake-up occurred in the Hungarian regime which marked the turn to a new tactical course in the satellites. Following the death of Stalin, the Berlin riots, and Czech strikes, a new more lenient policy was decided upon for the satellites. Peasants were permitted to leave the collective farms. Consumers were promised better living standards quickly (though, of course, not given them.)

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While the new course has been adopted in all the European satellites, it was first and most dramatically introduced in Hungary. In typical Soviet fashion a new line had to be announced to the world by a dramatic shake-up and purge. In this instance the dramatic move was the resignation of the famous Communist Matyas Rakosi as Premier on July, 2, 1953 and his replacement by Imre Nagy. At the same time Mihaly Farkos was replaced as Minister of Defense by Istvan Bata.

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Bata was born in Tura, Hungary, in 1901, in a Slovak peasant family. By 1918 he had gone to the Soviet Union and enlisted in the Red Army, which remained his career. He was a staff officer of the Russian Army in World War II and indeed did not return to Hungary until 1948, at which time the Russians decided he should be a Hungarian. He was presented to the senior Hungarian Army officers at the Communist party headquarters by Geza Revesz in 1948. In 1950 he was promoted to be Chief of the General Staff. At that time he was still not a Deputy Minister, but he outranked General Szabo who was Second Deputy Minister, the position ordinarily belonging to the Chief of Staff. In July 1953 Bata jumped directly into the post of Minister.

Until Bata became Minister of Defense, Russian Army officers in the higher ranks of the Hungarian Army were relatively inconspicuous compared to their situations in Poland and they are also relatively few. Revesz and Bata were both mysterious figures hiding in the shadows. Revesz's proclivity for behind-the-scenes action is illustrated by the pattern of his behavior on his return to Hungary from the U.S.S.R. in 1945. Without any publicity he occupied a tiny room at Communist party headquarters as the actual head of the Military Affairs Department of the party although he did not have that title. Not even his name plate appeared on his door and few had any idea of his position. Revesz and Bata were lieutenant generals and

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likely the end of 1947, when word went out from Moscow to the satellite countries that the satellite armies were to be built up into a major military force and that they were at the same time to be completely taken over by the Communists, it was not Palffy, the head of the military clique, who was made boss of the army but a Politburo member and Communist leader who had not been part of the Hungarian Army until then. Mihaly Farkas became the Hungarian counterpart of Emil Bodnaras, Alexis Cepicka, and Konstantin Rokossowski.

Palffy was not immediately ousted. He remained on as Deputy Minister of Defense and Inspector General of the army for a few months but the significance of the move was at once apparent. Palffy was immediately compelled to throw some of his close associates to the lions including Major General Lajos Földi, whom he had just put in as his successor as head of the political department. Within a week after Farkas took over, Major General Lajos Földi was arrested and charged with sedition and espionage. These events clearly foreshadowed the great purge which was to take place about a year later. Perhaps Palffy thought that by presenting a few heads on a silver platter he might evade the obviously impending purge. Enver Hoxha in Albania was able to get away with a similar move when he delivered General Koxhi Xoxe to Moscow's sacerdotes. In Hungary, however, the last vestiges of Palffydom were to be purged in 1949-50. By the middle of 1950 not one member of the clique remained free. About eighty officers had been purged as Palffyites. Palffy himself turned up as one of the principal defendents in the Rajk trial and was executed by hanging on October 24, 1949.

The indictment states, along with a lot of nonsense about an international espionage plot, the real Communist objections to Palffy, although these are stated in Aesopian language. In effect, it says that he tried to build a personal clique and that he had under his own control a sufficient military force so that he could prove a dangerous and independent character. The indictment said in part, "It was Palffy's task to direct the organization in the military sphere. With Rajk's consent he protected and promoted reactionary Horthyite fascist officers in the army appointing to high and important posts those whom he knew would blindly follow his villainous aims and instructions." In other words, he built up a clique of old army officers. "He drew up and set forth in writing a plan which he considered could be carried out with the help of ten battalions. These battalions were designed by Palffy for the seizure of important public buildings, post offices, broadcasting stations, the premises of the Central Committee of the Party," etc. In Communist Aesopian language this, of course, refers to the special Frontier Guard which Palffy had indeed built up at Russian behest and which he did indeed control as a kind of personal army.

The Hungarian case probably makes clearer than any other the hostility of the Communists to any kind of cohesive, well-integrated

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clique, machine, or group. In Czechoslovakia we saw that the Communists destroyed a cohesive officer corps with common experiences in World War I, common training shortly thereafter, and loyalty to a common leader, Benes. In Poland likewise we saw that they quickly eliminated a tightly-knit group of Pilsudskians. In Hungary the picture is even clearer because they destroyed not only a tightly-knit and cohesive old officer corps, but also a new communist officer group which threatened to emerge with loyalties and private relations of its own. The corps of regular officers in the Hungarian Army did indeed have considerable elements of cohesion. These arose not primarily from common social origins but rather from common training and experience.

Before 1918 a military career carried considerable prestige in Hungary though not as much as in Germanic lands. It was not ordinarily the career choice for aristocrats' sons, except for a few crack regiments. Nor was the officers' uniform a mystical object as in Prussia. Yet the prestige of the officer was high and the gentry was well represented in the officer corps. The gentry was a class ranking just below the aristocrats, but (regardless of wealth) above business men and professionals.

After 1918 the prestige of a military career declined for the opportunities were limited. Pay was poor. The army was reduced in size. The crack regiments were abolished. The proportion of non-gentry officers therefore rose and a large sector of the officer corps came to consist of members of national minorities such as Austrians and Czechs.

All in all the Hungarian Army of 1939 was led by an officer corps in which an overwhelming majority came from the wide range of the lower and upper-middle classes including the lesser gentry. Top aristocrats were scarce in the army but so were sons of proletarians. There was thus no sharply defined military caste comparable to that in Prussia and to some extent in Poland. It is true indeed that there was a tradition that at least one son should follow his father's example in choosing a military career, but other factors contributed to democratization. In the early 1920's there was a brief period in which sons of non-commissioned officers of the regular army, who were themselves predominantly of peasant stock, were strongly encouraged to attend cadet schools or military academies. Another wave of such democratization was a corollary of Gömbös' premiership since Gömbös was himself the son of a village teacher.

While the base of recruitment was thus broad, the process of selection created a rather tightly-knit officer corps. With hardly any exceptions, senior officers were graduates of cadet schools or military academies. It was possible for inductees to attend officer candidate schools and qualify for regular army careers after post-commission courses, but very few of this category ever rose to senior rank.

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old career officers and from the Communist politicians, except perhaps in the very top post or posts.

In August 1950 Soviet military regulations were made compulsory in the Hungarian Army. At that time Nogradi explained in a speech that this action would inject "a new warrior spirit" into the army. "Having learned Stalinist strategy and tactics, our armed forces will be ready to fight and to win."[38]

The new army did not long stay within the confines of the treaty of peace. According to Article 12 of the treaty, the armed forces were to consist of no more than 65,000 men. In December 1950 Marshal Tito estimated them at 165,000, and in July of 1951 Dedijer estimated them at 200,000.[39] They were already three times as numerous as permitted in the treaty. The build-up continued, however. The 1951 military expenditures were estimated to exceed those of 1949 and 1950 combined and to be ten times as great as those in 1948. Roads, railways, and air fields were built. Indeed even in the period since the death of Stalin the Hungarians announced a new and expanded build-up of their armed forces.

This expansion under Farkas was accompanied by accelerated purges. According to a speech which Farkas delivered in March 1951 the number of new officers in the Hungarian Army staff rose from 5.5 percent in January 1949 to 80.7 percent in January 1951. The new officers, he said, included 38.1 percent industrial workers, 20.5 percent agricultural workers, 13.5 percent peasants, 7.4 percent artisans and merchants, and 20.5 percent intellectuals.[40] The rapid increase in new officers meant both that old officers had been purged and that the number of officers had grown greatly. The two years after Farkas took over were years of the most rapid and profound change.

By 1953 the Hungarian Army had been transformed into a politically-acceptable force but its highly political leadership no longer met the needs for technical competence and had done its own job so well that it could be replaced. General Bata then took over.

It is, of course, difficult to get valid information on the new military structure. In 1950 the organization and administrative structure of the Ministry of Defense and of military offices became a secret even to the staff themselves. Organizational charts are no longer posted in the offices and name plates rarely appear on doors. Jurisdiction and spheres of activity are no longer clearly and publicly defined and amendments to the defense act are not published. In this respect, of course, Hungary is simply following the standard Iron Curtain pattern.

We have, however, for Hungary one set of data which we do not have for any of the other satellites and which tells us a little about the program for training a new officer corps composed of people who are both professionally qualified and politically loyal. For Hungary we have a small sample of biographies of colonels. Because they are